

NOVEMBER/DECEMBER 2025

23PCM31 — TAXATION

Time : Three hours

Maximum : 75 marks



SECTION A — (10 × 2 = 20 marks)

Answer ALL questions.

1. List Donation to political parties U/s 80GGB.
2. Write short note on Deduction U/s 80JJAA.
3. What is a foreign company?
4. Explain the term 'Maximum Marginal Rate'.
5. What is a TDS Certificate?
6. Explain about Self assessment.
7. Tell about GSTN.
8. Expand 'CGST'.
9. Mention the purpose of customs duty.
10. What do you meant by Transaction Value?

SECTION B — (5 × 5 = 25 marks)

Answer ALL questions.

11. (a) XYZ Pvt. Ltd. donated ₹ 1,50,000 to a registered charitable trust (eligible under Section 80G) during the financial year. However, the company's accounts show a net profit of ₹ 10,00,000, and the management is unsure how much of the donation can be claimed as a deduction under Section 80G.

Or

- (b) Write a note on Tax Holiday.

12. (a) A, B and C are the three partners of AOP having profit sharing ratio of 2:2:1. Details of income provided are as follows :

A – ₹ 1,00,000; B – ₹ 90,000;

C – ₹ 1,10,000

Total income of AOP ₹ 5,40,000 (Including LTCG ₹ 1,20,000 and STCG under 111A ₹ 80,000)

You are required to compute tax liability of AOP for AY 2024-25.

Or

- (iv) Capital Gains has been invested in specified assets u/s 54EC
(v) The AOP, of which the Co. is a member has paid the tax at maximum marginal rate
(vi) Provision for Income Tax includes ₹ 45,000 as interest

You are required to compute the MAT u/s 115JB of the Income Tax Act, 1961 for AY 2024-25, assuming that the Co. is not required to comply 'with IND AS.

18. What are the different types of assessment in income tax?
19. Describe the Compulsory registration of GST.
20. T Ltd. Imported some goods from LMP Inc. of United States by air. The assessable value of such goods is 100,000 \$. The bank had received payment from the importer at the exchange rate of US \$ 1 = ₹ 46, while the CBEC notified exchange rate on the relevant date was US \$ 1 = ₹ 45.50. Basic customs duty is 10%, additional duty of customs under section 3(1) is 12%, and education cess is 3% on duty. Additional duty of customs under section 3(5) is not applicable. Compute the amount of total customs duty payable.

- (c) Provision for Income Tax; ₹ 105,000
- (d) Provision for Gratuity basis actuarial valuation; ₹ 200,000
- (e) Depreciation; ₹ 360,000
- (f) Interest to Financial Institution (unpaid before filing of return); ₹ 100,000
- (g) Penalty for infraction of law; ₹ 50,000

Items credited :

- (a) Profits from unit(s) established in SEZ; ₹ 500,000
- (b) Share in income of an AOP as a member; ₹ 175,000
- (c) Long Term Capital Gains; ₹ 300,000

Other Information :

- (i) Depreciation includes ₹ 150,000 on account of revaluation of fixed assets
- (ii) Depreciation per Income Tax Rules is ₹ 280,000
- (iii) Balance of P and L Account on the assets side of B/S as at 31st March, 2020 was ₹ 10,00,000; of which the unabsorbed deprecation was ₹ 400,000

- (b) Profit and loss account of Jai Krishna & Co. is a firm of chartered accountants which satisfies all conditions of sections 184 and 40(b) for year ending March 31, 2024 is as follows :

Particulars	₹	Particulars	₹
Expenses	2,88,000	Receipts	
Depreciation	2,32,000	from clients	
Remuneration to partners	2,75,000	for tax advice	3,60,000
Interest on capital to partners	55,000	Audit fees	2,72,000
	<u>8,50,000</u>	Net loss	2,18,000
			<u>8,50,000</u>

Other information :

- (i) Out of expenses of ₹ 2,88,000, ₹ 57,250 is not deductible under sections 36 and 37.
- (ii) Depreciation as per section 32 is ₹ 3,23,100.
- (iii) Interest on capital to partners, not deductible under section 40(b), is ₹ 17,900.

Calculate the book profit of the firm.

13. (a) Indicate the Due dates for filing return of Income.

Or

- (b) List down the ITR forms.

14. (a) Analyse advantages and disadvantages of GST.

Or

- (b) "GST is One Nation One Tax" Explain the Concept.

15. (a) The CIF value of a machinery imported from USA amounted to \$ 1,20,000 which included \$ 800 Insurance and \$ 30,000 Freight. The rate of exchange amounted to ₹ 65 per \$. Calculate Assessable Value.

Or

- (b) Write a short note on nature and scope of Customs Duty.

SECTION C — (3 × 10 = 30 marks)

Answer any THREE questions.

16. From the information given below, compute the total income of the firm (Show the calculation of 80 G clearly) and tax payable by it for the Assessment Year 2024-25.

	₹
Profit from small scale industrial undertaking	6,50,000
Profit from the animal breeding business	2,20,000
Short term capital loss	2,50,000
Long term capital gain	4,50,000
Interest from bank (Gross)	80,000
Donation to charitable institution (approved) by cheque	1,30,000

17. Mona Ltd., a resident Co., earned a profit of ₹ 15,00,000 after debit / credit of the following amounts :

Items debited :

- (a) Provisions for the losses of Subsidiaries; ₹ 70,000
- (b) Provision for doubtful debts; ₹ 75,000